

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, FEBRUARY 6, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, February 6, 2007, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Katzakian, and Mayor Johnson

Absent: Council Members – Mounce

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Mid-Year Budget Review"

City Manager King briefly introduced the subject matter.

Deputy City Manager Krueger made a presentation regarding the mid-year budget presentation. Topics of discussion included a summary of recommended adjustments regarding the general fund and proposed appropriations, considerations regarding Parks and Recreation and unreserved general fund, proposed adjustment for Community Development, reallocation of transfers, revenues and expenditures for the general fund, electric fund, streets and capital outlay fund summary, water and wastewater funds, summary of Community Development fund, transit fund, and self-insurance. Mr. Krueger stated the estimates are conservative in that they are high in expenditures and low in revenues.

In response to Council Member Hansen, Mr. Krueger stated the \$50,000 amount pertaining to the current year revenue projection is for this year only to align with the budget. City Manager King stated the recommendation for the 2007-08 fiscal year will also be \$50,000.

Discussion ensued between Council Member Hitchcock, Council Member Hansen, Deputy City Manager Krueger, and City Manager King regarding the economic development director position, position costs of approximately \$120,000 including benefits, previous consideration and support for the position, the budget committee's recommendation of support for the position, and staff focus on economics of the City. Council Member Hitchcock stated she preferred the position to be considered during the regular budget to allow for a comparison of all vacant positions.

City Manager King provided information regarding the need to fill the permit technician and plan check positions.

Council Member Hansen expressed his concerns regarding the difficulty of the decision associated with the low-income discount program after Mr. Krueger reported the budget committee supported the changes regarding personnel, but not the low-income program.

In response to Council Member Hansen, Mr. King stated the School District applied for and received grants from the Department of Education for after school programs. He stated the City may lose funding and revenue may be affected. Mr. King stated the School District is expected to contract the services back to the City. Mr. King explained the previous funding flow was directly from the State to the City and now it will have to be from the State, to the District, and then to the City.

In response to Mayor Johnson, Mr. King stated filling the position for the permit technician may take some time because there is no established list and some tasks were completed through a temporary administrative clerk position.

In response to Council Member Hitchcock, Mr. Krueger stated the permanent position is about \$65,000 with benefits and the part-time position is about \$40,000 with benefits. Mr. Krueger stated the recruitment will take a couple of months.

In response to Council Member Hansen, Fire Chief Pretz stated the overtime will be reduced when additional firefighters come on line. He stated currently there are four firefighters in the academy. Mr. Pretz and City Manager King provided an overview of the previous recruitment process.

In response to Council Member Hitchcock, Mr. Krueger stated the \$151,000 sales tax amount is related to motor vehicle fees.

In response to Mayor Johnson, Mr. Krueger stated they did hire a department secretary in Human Resources, but the backlog will remain while they catch up. He stated there are approximately 490 authorized positions, 77 vacancies, and 42 of the 77 are mandated and not budgeted for. He explained the difference between the two accounts for the current number of recruitments.

In response to Council Member Hansen, Police Chief Adams stated the department did expend more overtime in the beginning of the year than anticipated due to the downtown burglaries and weekend officer patrols. Mr. Adams stated they had considerable savings in salaries because of the officer shortage. He stated they have hired all but two officers, although some are still in training, and overall the department is within the budget.

Council Member Hitchcock requested a status report regarding the mandated vacant positions.

In response to Council Member Hansen, City Manager King stated the gauges should show healthy reserve balances of 15% to 20%.

In response to Council Member Hansen, City Manager King stated they are awaiting a proposal from the Library Board regarding refurbishment, the heating, ventilation, and air conditioning system, filling key staff positions, and other needs for Council consideration. Library Services Director Martinez stated they are working on marrying several of the projects together so as to reduce the public inconvenience associated with closing the library. She stated they are also working on a fundraising campaign for refurbishment.

In response to Council Member Hitchcock, Electric Utility Director Morrow stated the \$500,000 plus in savings is related to staff watching the savings and some personnel costs. He stated they have filled some linemen positions, are making some temporary positions permanent, are reviewing a substation position, and are recruiting for a managerial position.

Mayor Johnson requested that a list of all open positions, including current recruitments, be provided to the Council before tomorrow night's Council meeting.

In response to Council Members Hansen and Katzakian, Mr. Krueger stated the numbers on the gauge differ because the difference is what is actually anticipated at the end of year.

Discussion ensued between Mayor Johnson, Council Member Hitchcock, and City Manager King regarding reduced levels of service versus financially healthy fund balances and citizen opinions regarding the same.

In response to Council Member Hitchcock, Public Works Director Prima stated the street project funds are not necessarily impacted by staff shortages, but they fluctuate greatly based on project structure and state budgeting.

Discussion ensued between Council Member Hansen and City Manager King regarding the need for gauges and standards to measure the financial well-being of funds, including the water and wastewater.

In response to Council Member Hansen, Mr. Krueger stated the vehicle and equipment replacement fund money comes from the general fund and Fire, Police, and Public Works have fairly significant shares.

City Manager King provided an overview of the vehicle and equipment replacement fund reserves and the procedural workings regarding the same.

In response to Council Member Hitchcock, Mr. Krueger stated they are spending money this year regarding transit capital projects. He stated the fund balance should probably be approximately \$500,000 on an ongoing basis, but it varies depending upon State and Federal funding. He stated the expenditures are not ongoing as capital expenditures are considered one-time expenditures.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:21 a.m.

ATTEST:

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

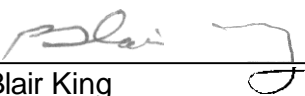
AGENDA TITLE: Mid-Year Budget Review
MEETING DATE: February 6, 2007 (Shirtsleeve Session)
PREPARED BY: City Manager

RECOMMENDED ACTION: Discussion only: no action required

BACKGROUND INFORMATION: Attached is the staff report regarding the mid-year budget review and revisions to the 2006-07 budget appropriations, which was included with the February 7, 2007, Regular City Council meeting packet. Staff will provide an overview of the information as a preview to Wednesday night's meeting and be available to answer questions; no Council action is being requested at the Shirtsleeve Session.

FISCAL IMPACT: N/A

FUNDING AVAILABLE: N/A



Blair King
City Manager

BWJMP

Attachments

APPROVED: 

Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA ITEM

K-1

AGENDA TITLE: Mid-year budget review and resolution to revise 2006-07 budget appropriations

MEETING DATE: February 7, 2007

PREPARED BY: Kirk J. Evans, Budget Manager

RECOMMENDED ACTION: Approve the mid-year budget adjustments and adopt a resolution revising the 2006-07 budget appropriations.

BACKGROUND INFORMATION: City Council adopted the Budget for Fiscal Year 2006-07 in June, 2006. Although assumptions made relative to revenues to be received and expenditures to be incurred are conservative, they have resulted in some differences between projected fund balances for some City funds when compared to amounts approved in the adopted City Budget. There are several funds for which adjustments to both the revenue estimates and budgeted expenditures should be made in order to more appropriately reflect projected operating results for Fiscal Year 2006-07. Following are recommended adjustments and a brief explanation of reasons for each of the adjustments:

- 1) **General Fund-** Total budgeted expenditures, which include mid-year budget adjustments, are projected to decrease by \$129,804 from the amount stated in the adopted budget. This has been achieved through the efforts of many departments to keep **costs** under control, which includes maintaining several vacancies in non-public safety departments. In addition, current revenue projections for FY 2006-07 are greater than budgeted amounts by \$50,712.
 - This combination of favorable events allows for the reestablishment of an Economic Development Coordinator position in Administration. This position was eliminated several years ago as a cost saving measure. Restoring this position will cost \$29,225 for the remainder of FY 2006-07. The City Budget/Finance Committee reviewed this item and **recommends its approval.**
 - The recent failure of Measure J to pass by the requisite two-thirds majority vote necessitates a decision regarding how the Seniors Fixed Income and SHARE discount rate programs are **to** be restructured. Staff recommends funding these programs at a 50% level **out** of the General Fund. Total annual cost of these programs, with no change in rates, is estimated **to be** \$255,000. Therefore the impact of these programs on the ~~General~~ Fund, with new rates set at a 50% level, for the remainder of FY 2006-07 will be \$63,750. The City Budget/Finance Committee reviewed this item and did not recommend its approval.
 - Hutchins Street Square's Division of Arts & Culture provides grants for arts and cultural projects from local nonprofit **organizations**. This program offers financial support for promising

APPROVED: Blair King
Blair King, City Manager

projects that serve the arts and cultural interests of the people of Lodi. Priority is given to projects on the basis of project merit, implementation capacity and public benefit to citizens. Past projects funded include: theatre projects, musical events, **poetry/literary** projects and the Sandhill Crane Festival. The timing of the budget adoption in June means that applicants with summer programs have very little time to order materials and implement their programs. They also cannot assess the financial viability of their program until grant awards are announced. Staff recommends increasing the current budget by \$50,000 to accommodate an earlier application and grant award timeline.

- The Parks 8 Recreation Department provides after school programs at all twelve public elementary schools in the City of Lodi. Of these twelve sites, four operate primarily on a State grant basis. The Lodi Unified School District (LUSD) was recently awarded State grant funds to operate their own after school programs at seven of these schools - which include the four grant funded sites. These programs will replace seven of the City operated programs, leaving the Parks 8 Recreation Department responsible for five. LUSD is expected to begin operations in February 2007. The impact of this change on Parks 8 Recreation may be:
 - Grant funds and fees received total \$256,200 while direct program expenditures are \$207,770 resulting in a net loss of approximately \$48,430 annually. These monies will be received by LUSD as it operates programs at Washington, Lawrence, Heritage, and **Needham** schools.
 - In addition, there may be a net loss of approximately \$16,700 annually from user fees by LUSD operating programs at **Beckman**, Nichols, and Borchardt schools.

At this time, no budget adjustment is recommended for this program.

The expected unreserved General Fund ending fund balance will be \$3,228,951. This includes additional expenditures for the Economic Development Coordinator position, revised low-income water and wastewater rate programs and HSS grants for arts projects for the remainder of FY 2006-07. Following are recommended adjustments:

Appropriations

Increase Administration (Personnel Services)	\$ 29,225
Increase Transfers-Out (Low Income Discount)	\$ 63,750
Increase Hutchins Street Square (Special Payments)	\$ 50,000

- 2) Community Development Fund- Workload created by new residential and commercial developments that will soon ~~be~~ coming on-line in the City of Lodi necessitate the establishment of an additional Permit Technician position. The expected unreserved Community Development Fund ending fund balance will be \$6,600, which includes the additional expenditure for the Permit Technician position for the remainder of FY 2006-07. The City Budget/Finance Committee reviewed this item and recommends its approval.

Following are recommended adjustments:

Appropriations

Increase Community Development (Personnel Services)	\$16,290
---	----------

- 3) Reallocation of Transfers In and Out- The cost of ~~services~~ transfers for engineering support for the Wastewater, Water, Police, Fire, and Parks Impact fees (IMF Funds) were inadvertently combined with and transferred out of the Streets Fund (Measure K - 325 Fund). Following are recommended adjustments to bring the Measure K Fund back into alignment:

<u>Appropriations</u>	
Decrease 325 Measure K Transfer Out	\$222,606
Increase 173 IMF Wastewater Transfer Out	\$ 30,740
Increase 182 IMF Water Transfer Out	\$ 52,796
Increase 1215 IMF Police Transfer Out	\$25,924
Increase 1216 IMF Fire Transfer Out	\$34,543
Increase 1217 IMF Parks Transfer Out	\$52,913
Increase 1218 IMF Gen Facilities Admin Transfer Out	\$ 25,690

Revenues and Expenditures

General Fund:

- Tax Revenues- Sales Tax revenues are projected to be approximately a net of \$151,000 less than budgeted. Property taxes and other taxes are projected to be as budgeted. Property taxes and Sales taxes were estimated using prior year actual results.
- *Police* Department Overtime- The Police Department has expended a greater percentage of its overtime budget than anticipated. As of the end of December, the department had spent **64%** of its overtime budget. It is recommended that the budget not be adjusted to reflect the overtime budget variance. If current trends continue, overtime expenditures are projected to be approximately **\$158,000** over budget but will be offset by salary savings realized through vacancies in regular positions. Management will review ~~methods to~~ *reduce* planned overtime with Police ~~Department~~ administration.
- *Fire* Department Overtime- The Fire Department has expended a greater percentage of its overtime budget than anticipated. As of the end of December, Fire Operations had spent **70%** of its overtime budget. It is recommended that the budget not be adjusted to reflect the overtime budget variance. If current trends continue, overtime expenditures are projected to ~~be~~ approximately \$186,000 over budget but will be offset by salary savings realized through vacancies in regular positions. Management will review methods to ~~reduce~~ planned overtime with Fire Department administration.
- Expenditures *in other* departments- ~~Most departments are projected to have savings in personnel services costs due to work force attrition. The Police and Fire Departments continue to experience high overtime expenditures. Departments with greater than expected attrition may need to fill some of their positions. Hardest hit are Electric Utility and Public Works Water Services.~~

Electric Fund:

- Revenues- revenues are expected to increase slightly by \$293,000 in the current year throughout the various Electric Utility revenue line items. This represents a 0.4% increase over the budgeted amount.

- Operating expenses - Due to position vacancies in several divisions and savings in services and materials, it is expected that there will be approximately \$463,860 projected savings in expenses. In addition, bulk power costs are projected to fall below the amount budgeted by \$487,908 which generates a total expenditures savings of \$951,768.

Streets Fund:

- Fund Balance - The combined reserved/unreserved beginning fund balance *is* \$3,635,783 greater than budgeted as a result of timing differences in capital expenditures in relation to the funding of projects. The ending balance is projected to be \$1,143,475 less than expected in comparison to the budgeted amount.

Capital Outlay Fund:

- Fund Balance - The combined reserved/unreserved beginning fund balance is \$83,585 **less** than budgeted as a result of timing differences in capital expenditures in relation **to** the funding of these projects. Consequently the ending balance is projected to be \$230,010 less than expected in comparison to the budgeted amount.

Water Fund:

- Fund Balance - The beginning unreserved fund balance is \$615,397 less than budgeted as a result of timing differences in capital expenditures in relation to the funding of these projects. The unreserved ending balance is projected to **be** \$28,418 greater than expected in comparison **to** the budgeted amount. The reserved cash balance must be used for PCE/TCE cleanup.

Wastewater Fund:

- Fund Balance - The beginning unreserved fund balance is \$2,983,693 greater than budgeted as a result of timing differences in capital expenditures in relation to the funding of projects. Consequently the unreserved ending balance is projected to be \$2,424,526 greater than expected in comparison to the budgeted amount. Reserves remain at a very good level; however the remaining amount of reserved fund balance is to be used for future White Slough Treatment Plant improvements.

Community Development Fund:

- Revenues - Projected revenues for permit fees and planning fees show **less** than expected building activity in fiscal year 2006-07. Community Development staff continue to work towards becoming self-sustaining with fees and charges for services. This fiscal year the General Fund is supporting their efforts with a transfer-in of \$300,000 which may need to be increased because of the projected shortfall in revenues.

Transit Fund:

- Fund Balance - The ending fund balance is \$705,728 less than budgeted as a result of capital expenditures which will take place in the current year, leaving an ending fund balance of \$558,672. The Transit Fund is not expected to build up significant reserves given that the Federal Transit Administration requires grant awards to be expended in a timely manner.

Self Insurance:

- Revenues - The revenues in this fund come from transfers made from all operating budgets.
- Expenditures - Claims experience in FY 2006-07 for workers compensation and general liability has been as expected.
- Fund Balance - **As** a result of the expected claims experience the fund balance is projected to be approximately \$592,700 more than the amount budgeted.

Position Control

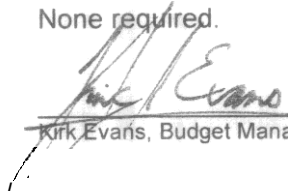
The FY 2006-07 Budget document envisioned 491 positions total with 42 mandated vacancies, leaving a balance of 449 positions to be filled. **As** of the end of December, the number filled was 409 positions. This is indicative of projected salary savings that will be realized in many City departments.

Continued Monitoring

Staff will continue to monitor revenues and expenditures through the end of the fiscal year and update projected fund balances. The projected fund balances will be used as the budgeted beginning fund balances for fiscal year 2007-08. The projected expenditures for fiscal year 2006-07 will be used as the baseline amount to establish the budgeted expenditures for all departments.

FISCAL IMPACT: The fiscal effects of the adjustments are incorporated within the explanations above.

FUNDING AVAILABLE: None required.



Kirk Evaris, Budget Manager



James R. Krueger
Deputy City Manager

Attachments

cc City Attorney

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
General Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	488,246	1,506,926	3,048,435	1,541,509	
Beginning Fund Balance (Reserved/Designated)	1,506,926	667,196	661,483	(5,713)	
Revenues	42,873,053	44,023,530	44,074,242	50,712	0.1%
Expenditures	41,158,307	44,023,530	43,893,726	129,804	0.3%
Year-end Audit Adjustments/Other					
Net Difference	1,714,746		180,516	180,516	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	3,048,435	1,506,926	3,228,951	1,722,025	
Ending Fund Balance (Reserved/Designated)	661,483	667,196	661,483	(5,713)	
Total Fund Balance	3,709,918	2,174,122	3,890,434	1,716,312	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Electric Fund					
Fund Balance (Cash)					
Beginning Cash Unreserved	7,469,037	1,704,200	3,631,402	1,927,202	
Beginning Cash Reserved	11,873,387		10,529,239	10,529,239	
Revenues	61,065,568	70,563,297	70,856,435	293,138	0.4%
Expenditures	66,688,116	70,553,889	69,602,121	951,768	1.4%
Accrual to Cash Basis Adjustment	440,765		(3,678,440)		
Net Difference	(5,181,783)	9,408	(2,424,126)	(2,433,534)	
Fund Balance (Cash)					
Ending Cash Unreserved	3,631,402	1,713,608	4,885,716	3,172,108	
Ending Cash Reserved	10,529,239		6,850,799	6,850,799	
Total Fund Balance	14,160,641	1,713,608	11,736,515	10,022,907	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed.

FY 2005-06 Audited Beginning Fund Balance includes cash \$4,896,603, NCPA General Operating Reserve (GOR) \$1,955,896 and a transfer from restricted cash of \$616,538.

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Wastewater Fund					
Fund Balance (Cash)					
Beginning Cash Unreserved	4,658,764	1,268,007	4,251,700	2,983,693	
Beginning Cash Reserved	16,247,795	1,688,947	14,627,909	12,938,962	
Revenues	9,869,971	39,252,900	16,596,584	(22,656,316)	-136.5%
Expenditures	9,636,745	40,657,024	17,658,032	22,998,992	130.2%
Accrual to Cash Basis Adjustment	(2,260,176)		(7,172,258)		
Net Difference	(2,026,950)	(1,404,124)	(8,233,706)	(6,829,582)	
Fund Balance (Cash)					
Ending Cash Unreserved	4,251,700	765,726	3,190,252	2,424,526	
Ending Cash Reserved	14,627,909	787,104	7,455,651	6,668,547	
Total Fund Balance	18,879,609	1,552,830	10,645,903	9,093,073	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed.

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Water Fund					
Fund Balance (Cash)					
Beginning Cash Unreserved	3,140,369	829,000	213,603	(615,397)	
Beginning Cash Reserved	300,711	8,700,000	8,844,424	144,424	
Revenues	15,669,738	10,341,000	10,766,887	425,887	4.0%
Expenditures	9,218,231	13,034,844	11,666,231	1,368,613	11.7%
Accrual to Cash Basis Adjustment	(834,560)				
Net Difference	5,616,947	(2,693,844)	(899,344)	1,794,500	
Fund Balance (Cash)					
Ending Cash Unreserved	213,603	779,001	807,419	28,418	
Ending Cash Reserved	8,844,424	6,056,155	7,351,264	1,295,109	
Total Fund Balance	9,058,027	6,835,156	8,158,683	1,323,527	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed.

This reserved balance is to be used for Central Plume PCE/TCE• cleanup. It is not available for any other purpose•

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Library Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	697,158	628,538	659,023	30,485	
Beginning Fund Balance (Reserved/Designated)					
Revenues	1,487,299	1,622,670	1,622,670		
Expenditures	1,525,434	1,711,336	1,627,809	83,527	5.1%
Year-end Audit Adjustments/Other					
Net Difference	(38,135)	(88,666)	(5,139)	83,527	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	659,023	539,872	653,884	114,012	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance	659,023	539,872	653,884	114,012	

**Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007**

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Capital Outlay Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	974,842		5,663,370	5,663,370	
Beginning Fund Balance (Reserved/Designated)	5,649,770	6,549,902	802,947	(5,746,955)	
Revenues	749,552	1,845,000	1,845,000		
Expenditures	372,999	1,557,836	1,704,261	(146,425)	-8.6%
Year-end Audit Adjustments/Other	(534,848)				
Net Difference	(158,295)	287,164	140,739	(146,425)	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	5,663,370	6,837,066	5,804,109	(1,032,957)	
Ending Fund Balance (Reserved/Designated)	802,947		802,947	802,947	
Total Fund Balance	6,466,317	6,837,066	6,607,056	(230,010)	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Community Development Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved			47,310	47,310	
Beginning Fund Balance (Reserved/Designated)			31,382	31,382	
Revenues	1,672,190	2,175,651	2,105,000	(70,651)	-3.4%
Expenditures	1,846,498	2,127,951	2,145,709	(17,758)	-0.8%
Year-end Audit Adjustments/Other	253,000				
Net Difference	78,692	47,700	(40,709)	(88,409)	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	47,310	47,700	6,601	(41,099)	
Ending Fund Balance (Reserved/Designated)	31,382		31,382	31,382	
Total Fund Balance	78,692	47,700	37,983	(9,717)	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Community Development Block Grant Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved					
Beginning Fund Balance (Reserved/Designated)					
Revenues	1,248,738		3,347,646	3,347,646	100.0%
Expenditures	1,248,738		3,347,646	(3,347,646)	-100.0%
Year-end Audit Adjustments/Other					
Net Difference					
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved					
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance					

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Employee Benefits Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	3,035		(72,736)	(72,736)	
Beginning Fund Balance (Reserved/Designated)					
Revenues	5,187,909	6,588,522	6,154,294	(434,228)	-7.1%
Expenditures	5,288,803	6,034,652	5,849,598	185,054	3.2%
Accrual to Cash Basis Adjustment	25,123	(553,870)		553,870	
Net Difference	(75,771)		304,696	304,696	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	(72,736)		231,960	231,960	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance	(72,736)		231,960	231,960	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed.

**Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007**

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Vehicle & Equipment Replacement Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	150,175	354,816	288,584	(66,232)	
Beginning Fund Balance (Reserved/Designated)	2,141		2,141	2,141	
Revenues	14,579	838,317	1,140,488	302,171	26.5%
Expenditures	63,670	360,000	550,467	(190,467)	-34.6%
Year-end Audit Adjustments/Other	187,500				
Net Difference	138,409	478,317	590,021	111,704	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	288,584	833,133	878,605	45,472	
Ending Fund Balance (Reserved/Designated)	2,141		2,141	2,141	
Total Fund Balance	290,725	833,133	880,746	47,613	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Self Insurance Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	3,258,384	4,439,332	4,133,152	(306,180)	
Beginning Fund Balance (Reserved/Designated)					
Revenues	2,400,194	2,586,900	2,586,900		
Expenditures	1,515,449	2,933,518	2,340,815	592,703	25.3%
Accrual to Cash Basis Adjustment	(9,977)				
Net Difference	874,768	(346,618)	246,085	592,703	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	4,133,152	4,092,714	4,379,237	286,523	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance	4,133,152	4,092,714	4,379,237	286,523	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed.

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Public Safety Special Revenue Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	283,516	408,206	383,040	(25,166)	
Beginning Fund Balance (Reserved/Designated)					
Revenues	254,805		229,260	229,260	100.0%
Expenditures	176,983		44,258	(44,258)	-100.0%
Year-end Audit Adjustments/Other	21,702				
Net Difference	99,524		185,002	185,002	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	383,040	408,206	568,042	159,836	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance	383,040	408,206	568,042	159,836	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Streets Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	3,965,554	1,327,983	5,737,407	4,409,424	
Beginning Fund Balance (Reserved/Designated)	1,009,182	1,074,144	300,503	(773,641)	
Revenues	9,543,264	10,786,988	6,302,120	(4,484,868)	-71.2%
Expenditures	6,817,404	8,295,118	8,589,508	(294,390)	-3.4%
Year-end Audit Adjustments/Other	(1,662,686)				
Net Difference	1,063,174	2,491,870	(2,287,388)	(4,779,258)	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	5,737,407	3,819,853	3,450,019	(369,834)	
Ending Fund Balance (Reserved/Designated)	300,503	1,074,144	300,503	(773,641)	
Total Fund Balance	6,037,910	4,893,997	3,750,522	(1,143,475)	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Transit Fund					
Fund Balance (Cash)					
Beginning Cash Unreserved	(1,688,947)	824,323	851,427	27,104	
Beginning Cash Reserved					
Revenues	4,314,035	5,162,005	5,420,115	258,110	4.8%
Expenditures	3,643,035	4,721,928	5,712,870	(990,942)	-17.3%
Accrual to Cash Basis Adjustment	1,869,374				
Net Difference	2,540,374	440,077	(292,755)	(732,832)	
Fund Balance (Cash)					
Ending Cash Unreserved	851,427	1,264,400	558,672	(705,728)	
Ending Cash Reserved					
Total Fund Balance	851,427	1,264,400	558,672	(705,728)	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed.

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Transportation Development Act Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	108,909	179,909	102,878	(77,031)	
Beginning Fund Balance (Reserved/Designated)			2,850	2,850	
Revenues	49,434	51,000	51,000		
Expenditures	52,615	288,780	74,850	213,930	285.8%
Year-end Audit Adjustments/Other					
Net Difference	(3,181)	(237,780)	(23,850)	213,930	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	102,878	(57,871)	81,878	139,749	
Ending Fund Balance (Reserved/Designated)	2,850				
Total Fund Balance	105,728	(57,871)	81,878	139,749	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Trust and Agency Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	1,221,745	1,074,001		(1,074,001)	
Beginning Fund Balance (Reserved/Designated)			1,286,808	1,286,808	
Revenues	77,925	255,000	255,000		
Expenditures	12,862	255,000	255,000		
Year-end Audit Adjustments/Other					
Net Difference	65,063				
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved					
Ending Fund Balance (Reserved/Designated)	1,286,808	1,074,001	1,286,808	212,807	
Total Fund Balance	1,286,808	1,074,001	1,286,808	212,807	

Statement of Changes in Fund Balance For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Debt Service Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved					
Beginning Fund Balance (Reserved/Designated)					
Revenues	1,780,598	1,771,653	1,873,294	101,641	5.4%
Expenditures	1,780,598	1,771,653	1,873,294	(101,641)	-5.4%
Year-end Audit Adjustments/Other					
Net Difference					
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved					
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance					

**Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007**

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Fleet Services Internal Service Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved					
Beginning Fund Balance (Reserved/Designated)					
Revenues		1,771,653	1,771,653		
Expenditures		1,771,653	1,707,700	63,953	3.7%
Year-end Audit Adjustments/Other					
Net Difference			63,953	63,953	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved			63,953	63,953	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance			63,953	63,953	



Mid-Year Budget Presentation

Shirtsleeve Meeting
February 6, 2007



Summary

Following are recommended adjustments and a brief explanation of reasons for each of the adjustments:

- **General Fund**

- Projected expenditures decrease **by** \$129,804
- Current revenue projections for FY 2006-07 increase by \$50,712

- **Proposed Adjustments**

- Appropriations**

- Increase Administration (Personnel Services) \$29,225
- Increase Transfers-Out (Low income Discount) \$63,750
- Increase Hutchins Street Square (Special Payments) \$ 50,000



Summary

Other Factors to Consider (no budget adjustments at this time)

- **Parks and Recreation**
 - After School grant programs may be eliminated, potential net loss of approximately \$48,430 annually
 - Three fee-based programs may be eliminated, potential net loss of \$16,700
- **Unreserved General Fund** - Ending fund balance expected to be \$3,228,951



Summary

Community Development Fund

- **Proposed Adjustments**
 - Increase Community Development (Personnel Services) \$16,290



Summary

Reallocation of Transfers In and Out

- **Appropriations**

– Decrease 325 Measure K Transfer Out	\$222,606
– Increase 173 IMF Wastewater Transfer Out	\$ 30,740
– Increase 182 IMF Water Transfer Out	\$ 52,796
– Increase 1215 IMF Police Transfer Out	\$ 25,924
– Increase 1216 IMF Fire Transfer Out	\$ 34,543
– Increase 1217 IMF Parks Transfer Out	\$ 52,913
– Increase 1218 IMF Gen Facilities Admin Transfer Out	\$ 25,690



Summary

Revenues and Expenditures

- **General Fund:**

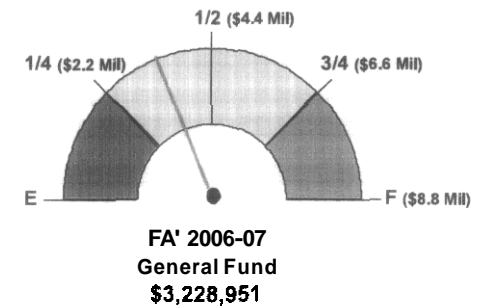
- Tax Revenues- Sales Tax revenues are projected to decrease a net of approximately \$151,000. Property taxes and other taxes are projected to be as budgeted.
- Police Department Overtime- \$158,000 over budget
- Fire Department Overtime- \$186,000 over budget
- Other departments- Most departments projected to have savings in personnel services

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

with **Actuals** for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
General Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	488,246	1,506,926	3,048,435	1,541,509	
Beginning Fund Balance (Reserved/Designated)	1,506,926	667,196	661,483	(5,713)	
Revenues	42,873,053	44,023,530	44,074,242	50,712	0.1%
Expenditures	41,158,307	44,023,530	43,893,726	129,804	0.3%
Yearend Audit Adjustments/Other					
Net Difference	1,714,746		180,516	180,516	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	3,048,435	1,506,926	3,228,951	1,722,025	
Ending Fund Balance (Reserved/Designated)	661,483	667,196	661,483	(5,713)	
Total Fund Balance	3,709,918	2,174,122	3,890,434	1,716,312	



Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Library Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	697,158	628,538	659,023	30,485	
Beginning Fund Balance (Reserved/Designated)					
Revenues	1,487,299	1,622,670	1,622,670		
Expenditures	1,525,434	1,711,336	1,627,809	83,527	5.1%
Yearend Audit Adjustments/Other					
Net Difference	(38,135)	(88,666)	(5,139)	83,527	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved	659,023	539,872	653,884	114,012	
Ending Fund Balance (Reserved/Designated)					
(Total Fund Balance)	659,023	539,872	653,684	114,012	



Summary of Fund Balances

Electric Fund:

- Revenues expected to increase slightly by \$293,000
- Non-power operating costs - \$463,860 projected savings in expenditures
- Bulk power costs - \$487,908 savings

Statement of Changes in Fund Balance

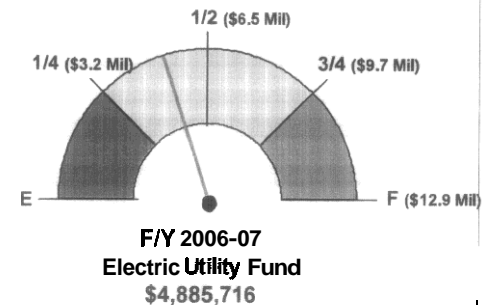
For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Electric Fund					
Fund Balance (Cash)					
Beginning Cash Unreserved	7,469,037	1,704,200	3,631,402	1,927,202	
Beginning Cash Reserved	11,873,387		10,529,239	10,529,239	
Revenues	61,065,568	70,563,297	70,856,435	293,138	0.4%
Expenditures	66,688,116	70,553,889	69,602,121	951,768	1.4%
Accrual to Cash Basis Adjustment	440,765		(3,678,440)		
Net Difference	(5,181,783)	9,408	(2,424,126)	(2,433,534)	
Fund Balance (Cash)					
Ending Cash Unreserved	3,631,402	1,713,608	4,885,716	3,172,108	
Ending Cash Reserved	10,529,239		6,850,799	6,850,799	
Total Fund Balance	14,160,641	1,713,608	11,736,515	10,022,907	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed

FY 2005-06 Audited Beginning Fund Balance includes Cash \$4,896,603
NCPA General Operating Reserve (GOR) \$1,955,896 and a transfer from restricted cash of \$616,538.





Summary of Fund Balances

Streets and Capital Outlay Funds

- **Streets Fund** - current combined reserved/unreserved beginning fund balance \$3,635,783 greater than budgeted. Ending fund balance projected to be \$1,143,475 less than expected.
- **Capital Outlay Fund** - current combined reserved/unreserved beginning fund balance \$83,585 less than budgeted. Ending balance projected to be \$230,010 less than expected.

Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Streets Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	3,965,554	1,327,983	5,737,407	4,409,424	
Beginning Fund Balance (Reserved/Designated)	1,009,182	1,074,144	300,503	(773,641)	
Revenues	9,543,264	10,786,988	6,302,120	(4,484,868)	-71.2%
Expenditures	6,817,404	8,295,118	8,589,508	(294,390)	-3.4%
Yearend Audit Adjustments/Other	(1,662,686)				
Net Difference	1,063,174	2,491,870	(2,287,388)	(4,779,258)	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved	5,737,407	3,819,853	3,450,019	(369,834)	
Total Fund Balance	6,037,910	4,893,997	3,750,522	(1,143,475)	

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Capital Outlay Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	974,842		5,663,370	5,663,370	
Beginning Fund Balance (Reserved/Designated)	5,649,770	6,549,902	802,947	(5,746,955)	
Revenues	749,552	1,845,000	1,845,000		
Expenditures	372,999	1,557,836	1,704,261	(146,425)	-8.6%
Yearend Audit Adjustments/Other	(534,848)				
Net Difference	(158,295)	287,164	140,739	(146,425)	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved	5,663,370	6,837,066	5,804,109	(1,032,957)	
Total Fund Balance	6,466,317	6,837,066	6,607,056	(230,010)	



Summary of Fund Balances

Water and Wastewater Funds:

- **Water Fund** - Beginning unreserved fund balance is \$615,397 less than budgeted. Ending balance projected to be \$28,418 greater than expected.
- **Wastewater Fund** - Beginning unreserved fund balance \$2,983,693 greater than budgeted. Unreserved ending balance projected to be \$2,424,526 greater than expected.

Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Water Fund					
<u>Fund Balance (Cash)</u>					
Beginning Cash Unreserved	3,140,369	829,000	213,603	(615,397)	
Beginning Cash Reserved	300,711	8,700,000	8,844,424	144,424	
Revenues	15,669,738	10,341,000	10,766,887	425,887	4.0%
Expenditures	9,218,231	13,034,844	11,666,231	1,368,613	11.7%
Accrual to Cash Basis Adjustment	(834,560)				
Net Difference	5,616,947	(2,693,844)	(899,344)	1,794,500	
<u>Fund Balance (Cash)</u>					
Ending Cash Unreserved	213,603	779,001	807,419	28,418	
Total Fund Balance	9,058,027	6,835,156	8,158,683	1,323,527	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed

This reserved balance is to be used for Central Plume PCE/TCE cleanup. It is not available for any other purpose

Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 200506 and Comparative Budget Fiscal Year 200607

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Wastewater Fund					
<u>Fund Balance (Cash)</u>					
Beginning Cash Unreserved	4,658,764	1,268,007	4,251,700	2,983,693	
Beginning Cash Reserved	16,247,795	1,688,947	14,627,909	12,938,962	
Revenues	9,869,971	39,252,800	16,596,584	(22,656,316)	-136.5%
Expenditures	9,636,745	40,657,024	17,658,032	22,998,992	130.2%
Accrual to Cash Basis Adjustment	(2,260,176)		(7,172,258)		
Net Difference	(2,026,950)	(1,404,124)	(8,233,706)	(6,829,582)	
<u>Fund Balance (Cash)</u>					
Ending Cash Unreserved	4,251,700	765,726	3,190,252	2,424,526	
Total Fund Balance	18,879,609	1,552,830	10,645,903	9,093,073	



Summary of Fund Balances

Community Development Fund:

- Permit fees and planning fees less than expected.
- Transfer from general fund projected to be more than what was budgeted

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Community Development Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved			47,310	47,310	
Beginning Fund Balance (Reserved/Designated)			31,382	31,382	
Revenues	1,672,190	2,175,651	2,105,000	(70,651)	-3.4%
Expenditures	1,846,498	2,127,951	2,145,709	(17,758)	-0.8%
Yearend Audit Adjustments/Other	253,000				
Net Difference	78,692	47,700	(40,709)	(88,409)	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved	47,310	47,700	6,601	(41,099)	
Total Fund Balance	78,692	47,700	37,983	(9,717)	

Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Community Development Block Grant Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved					
Beginning Fund Balance (Reserved/Designated)					
Revenues	1,248,738		3,347,646	3,347,646	100.0%
Expenditures	1,248,738		3,347,646	(3,347,646)	-100.0%
Yearend Audit Adjustments/Other					
Net Difference					
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved					
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance					



Summary of Fund Balances

Transit Fund:

- **Fund Balance** - Ending fund balance \$705,728 less than budgeted as a result of capital expenditures which will take place in the current year, leaving an ending fund balance of \$558,672.
- **Transit Fund** - Not expected to build up significant reserves given that the Federal Transit Administration requires grant awards to be expended in a timely manner.

Statement of Changes in Fund Balance
For the Fiscal Year Ended June 30, 2007

With **Actuals** for Fiscal Year **2005-06** and Comparative Budget Fiscal Year **2006-07**

	Audited 2006-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals variance %
Transit Fund					
<u>Fund Balance (Cash)</u>					
Beginning Cash Unreserved	(1,688,947)	824,323	851,427	27,104	
Beginning Cash Reserved					
Revenues	4,314,035	5,162,005	5,420,115	258,110	4.8%
Expenditures	3,643,035	4,721,928	5,712,870	(990,942)	-17.3%
Accrual to Cash Basis Adjustment	1,869,374				
Net Difference	2,540,374	440,077	(292,755)	(732,832)	
<u>Fund Balance (Cash)</u>					
Ending Cash Unreserved	851,427	1,264,400	558,672	(705,728)	
Ending Cash Reserved					
Total Fund Balance	851,427	1,264,400	558,672	(705,728)	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Transportation Development Act Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance reserved	108,909	179,809	102,878	(77,031)	
Beginning Fund Balance (Reserved/Designated)			2,850	2,850	
Revenues	49,434	51,000	51,000		
Expenditures	52,615	288,780	74,850	213,930	285.8%
Year-end Audit Adjustments/Other					
Net Difference	(3,181)	(237,780)	(23,850)	213,930	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved	102,878	(57,871)	81,878	139,749	
Ending Fund Balance (Reserved/Designated)	2,850				
Total Fund Balance	105,728	(57,871)	81,878	139,749	

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2006-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Fleet Services Internal Service Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved					
Beginning Fund Balance (Reserved/Designated)					
Revenues		1,771,653	1,771,653		
Expenditures		1,771,653	1,707,700	63,953	3.7%
Yearend Audit Adjustments/Other					
Net Difference			63,953	63,953	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved			63,953	63,953	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance			63,953	63,953	



Summary of Fund Balances

Self Insurance:

- **Revenues** - Revenues in this fund come from transfers made from all operating budgets.
- **Expenditures** - Claims experience in FY 2006-07 for workers compensation and general liability has been as expected.
- **Fund Balance** - As a result of expected claims experience the fund balance is projected to be approximately \$592,700 more than amount budgeted.

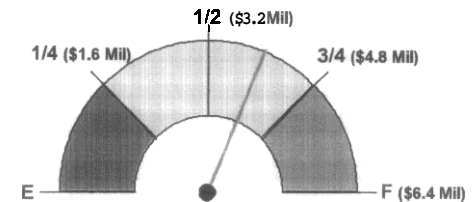
Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2006-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Self Insurance Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance Unreserved	3,258,384	4,439,332	4,133,152	(306,180)	
Beginning Fund Balance (Reserved/Designated)					
Revenues	2,400,194	2,586,900	2,586,900		
Expenditures	1,515,449	2,933,518	2,340,815	592,703	25.3%
Accrual to Cash Basis Adjustment	(9,977)				
Net Difference	874,768	(346,618)	246,085	592,703	
Fund Balance (Net Assets)					
Ending Fund Balance Unreserved	4,133,152	4,092,714	4,379,237	286,523	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance	4,133,152	4,092,714	4,379,237	286,523	

Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed



**FY 2006-07
Self-Insurance Fund
\$4,379,237**

(Worker's Comp - \$2,863,231, General Liability - \$1,515,923)

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With **Actuals** for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Employee Benefits Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	3,035		(72,736)	(72,736)	
Beginning Fund Balance (Reserved/Designated)					
Revenues	5,187,909	6,588,522	6,154,294	(434,228)	-7.1%
Expenditures	5,288,803	6,034,652	5,849,598	185,054	3.2%
Accrual to Cash Basis Adjustment	25,123	(553,870)		553,870	
Net Difference	(75,771)		304,696	304,696	
<u>Fund Balance (Cash)</u>					
Ending Fund Balance Unreserved	(72,736)		231,960	231,960	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance	(72,736)		231,960	231,960	

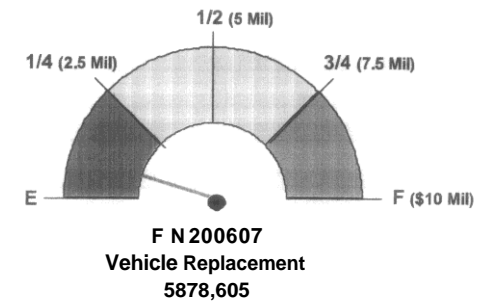
Accrual to Cash Basis Adjustments- In accordance with Generally Accepted Accounting Principles revenues are recognized when earned and expenditures are recognized when they become an obligation. On a cash basis, which is not in accordance with Generally Accepted Accounting Principles, revenues are not recognized until cash is received and expenditures are not recognized until cash is disbursed

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Vehicle & Equipment Replacement Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	150,175	354,816	288,584	(66,232)	
Beginning Fund Balance (Reserved/Designated)	2,141		2,141	2,141	
Revenues	14,579	838,317	1,140,488	302,171	26.5%
Expenditures	63,670	360,000	550,467	(190,467)	-34.6%
Year-end Audit Adjustments/Other	187,500				
Net Difference	138,409	478,317	590,021	111,704	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved	288,584	833,133	878,605	45,472	
Ending Fund Balance (Reserved/Designated)	2,141		2,141	2,141	
Total Fund Balance	290,725	833,133	880,746	47,613	



Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005.06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005.06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Debt Service Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved					
Beginning Fund Balance (Reserved/Designated)					
Revenues	1,780,598	1,771,653	1,873,294	101,641	5.4%
Expenditures	1,780,598	1,771,653	1,873,294	(101,641)	-5.4%
Year-end Audit Adjustments/Other					
Net Difference					
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved					
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance					

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Public Safety Special Revenue Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	283,516	408,206	383,040	(25,166)	
Beginning Fund Balance (Reserved/Designated)					
Revenues	254,805		229,260	229,260	100.0%
Expenditures	176,983		44,258	(44,258)	-100.0%
Yearend Audit Adjustments/Other	21,702				
Net Difference	99,524		185,002	185,002	
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved	383,040	408,206	566,042	159,836	
Ending Fund Balance (Reserved/Designated)					
Total Fund Balance	383,040	408,206	568,042	159,836	

Statement of Changes in Fund Balance

For the Fiscal Year Ended June 30, 2007

With Actuals for Fiscal Year 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	Budget to Est Actuals Variance \$	Budget to Est Actuals Variance %
Trust and Agency Fund					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance Unreserved	1,221,745	1,074,001		(1,074,001)	
Beginning Fund Balance (Reserved/Designated)			1,286,808	1,286,808	
Revenues	77,925	255,000	255,000		
Expenditures	12,862	255,000	255,000		
Year-end Audit Adjustments/Other					
Net Difference	65,063				
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance Unreserved					
Ending Fund Balance (Reserved/Designated)	1,286,808	1,074,001	1,286,808	212,807	
Total Fund Balance	1,286,808	1,074,001	1,286,808	212,807	